



**MINUTES
UNIVERSITY OF NORTH ALABAMA
FOUNDATION BOARD**

Friday, March 11, 2022; 1:00 p.m.

The Guillot University Center – Performance Center

CALL TO ORDER AND INVOCATION (Vice Chair Stephanie Teichmiller)

The meeting was called to order at 1:02 p.m. Vice Chair Teichmiller welcomed everyone and called on Matthew Schmitz for invocation.

Vice Chair Teichmiller acknowledged the newest member of the Foundation Board, Representative Andy Whitt, and invited him give a brief introduction.

Roll Call and Quorum (Mr. Kevin Haslam)

Present Members (25): Christie Bevis, Larry Bowser, Nelda Cambron-McCabe, Joe Campbell, Tracy Doughty (Zoom), Mary Leigh Gillespie, Sharon Harris, Kevin Haslam, Steve Jager (Zoom), Jamie Kiel, President Ken Kitts, Jacob Ladner, Greg Law (Zoom), Melissa Long, Chester McKinney, Jr., Cathy Miller, Jim Page, Susanne Rallis (Zoom), Matthew Schmitz, Harry Smith, Stephanie Teichmiller, Evan Thornton, Lucy Trousdale, Mike Washburn, Andy Whitt

Absent (11): Brad Botes, Kyle Buchanan, Tom Butler, Sybil Cleveland-Pennywell, Dana Coleman-Aldridge, Lorri Glover, Derrick Mills, Graham Sisson, Robert Steele, David Sunseri, Jason Thomas

Others Present (6): Ross Alexander, Michele Aycock, Weldon Cole, Morgan Fowler, Kristi Overton, Gwen Patrick

Mr. Kevin Haslam stated a quorum is present.

Approval of Minutes November 12, 2021 Meeting (Vice Chair Stephanie Teichmiller)

Upon motion by Larry Bowser and a second by Joe Campbell, the minutes of the November 12, 2021 meeting were unanimously approved.

UNIVERSITY PRESIDENT'S UPDATE

Dr. Ken Kitts stated that the governor's budget, released in January, proposed a \$3.5 million increase for fiscal year 22/23, which begins on October 1st. After going to the House of

Representatives, an additional \$1.5 million was given. This takes the previous budget of \$39.9 million and raises it to \$45 million. Out of the fourteen universities in the state of Alabama, UNA received the largest increase. Two members of the UNA Foundation Board are in the House of Representatives and were instrumental in achieving that increase for UNA – Jamie Keel and Andy Whitt. Later in March, the Finance and Taxation Committee of the Senate will be presented the same budget. Since the launch of Project 208, the gap in funding is gradually beginning to close. For the last three years, despite being the most underfunded university in the state, tuition has not risen. Although the cumulative CPI over the last three years is at 8%, there was 0% increase in tuition. UNA is running more efficiently than other universities in the state. Other universities of the same size employ on average 200 more total full-time faculty and staff. Also, the administrative overhead is at the lowest level in the state of Alabama. President Kitts closed by telling the board since meeting in November the largest gift ever made to the university came in at \$6.5 million.

HIGHLIGHT (Provost Update, Dr. Ross Alexander)

Dr. Ross Alexander began his update discussing enrollment. For the twelfth straight term, enrollment is at record levels. Spring semester's enrollment is up 6% over the spring term of 2021. This makes UNA the fastest growing university in the state of Alabama. Out of the fourteen other state universities, nine are suffering dwindling enrollment. Growth at UNA is reflected in all areas – on-campus, online, and internationally. In-state enrollment is at 85% achieving the set goal of becoming a first-choice university for students of all types.

Workforce Development: The university's degrees are leading to jobs in the state. There are a number of direct collaborations with our industry partners statewide such as Huntsville Hospital. UNA offers workforce focused emphasis with new degree programs in computer science, Information Technology, Engineering, Accounting, Marketing, Nursing, Health Professions, Teacher Education, and Social Work. The university has been seen as a leader in major economic development projects in the area. The \$22 million Computer Science and Mathematics building has been fully funded by the state of Alabama, Shoals EDA, and the city of Florence as a direct result of our workforce and economic development initiatives.

Academic Innovations: UNA is a doctoral level university with the Executive Doctor of Business Administration, PhD in Exercise Science and Health Promotion, and now a third – Doctor of Nursing Practice. UNA, as far as known, is the only university in the country offering Title IV Federal Financial Aid for micro-credentials. Data from the federal clearinghouse is analyzed every year. It finds that the majority of students accepted to UNA but not attending, are going to Auburn, Alabama, and UAB – all research universities. At present, the university is developing a program in optics with Lockheed Martin. This will facilitate and further the use of drone warfare.

Student Success: There will be over 700 students in the Dolores and Weldon Cole Honors College this fall. The four- and six-year graduation rates have been at record highs for the last several years. The Finish in Four program offering banded tuition was implemented in 2018. This allows students to finish earlier and with less debt.

FOUNDATION UPDATE

Foundation Update (Mr. Kevin Haslam)

Mr. Haslam began his report by mentioning the gift the university received on December 30th – \$6.5 million – the largest in UNA’s history. Previously, the largest fundraising year in UNA history was \$12,673,000. So far in FY22, \$16,209,493 has been raised making this the greatest fund-raising year in the history of the university. Our unique donor number is at 1,227 - 54% of the FY22 goal. Bank Independent established a leadership endowment that gives the president unrestricted funds to use at his/her discretion. Two others were established for Athletics and COBT. These will make available hundreds of thousands, if not millions to the university in the years to come. A press release was sent the day before this meeting reporting the largest gift in the history of the College of Business, \$2.4 million, passing the record previously set in December of \$2.1 million. Mr. Haslam went on to say that he and Jason McNeal, our Gonser Gerber consultant, had discussed hiring additional development officers with the goal of having a development officer assigned to each of the colleges. Both President Kitts and Provost Alexander were in support of this suggestion. Mr. Haslam noted Mr. Evan Thornton’s vision and leadership in approving moving forward in hiring a new development officer. Mr. Haslam asked the Board to express their appreciation. After wrapping the update, Mr. Haslam moved on to discuss the 1830 Giving Day Initiative and how the Foundation Board could further the reach of the initiative. At conclusion, a question was asked about the database development to which a brief discussion was given.

(See attachment: Advancement Update)

Financial Review & Budget Review (Gwen Patrick)

Gwen Patrick provided a report of the Operating Budget vs. Actual Budget. Ms. Patrick directed attention to how the report was divided – 1830 Funds dedicated to university priorities established by President Kitts versus operational funds. From October 1st to January, \$51,000 has been collected toward a \$120,000 goal for the 1830 Fund. In regards to spending, \$120,000 toward a \$500,000 goal has been spent. Ms. Patrick then moved on to the Statement of Activities. With contributions and interest earnings combined, the total is over \$10.5 million. So far for the fiscal year, there is a \$9.6 million gain. Ms. Patrick closed her report by going over the Statement of Financial Position. The \$10 million balance shown is due to the fact that most gifts received this fiscal year have been temporarily restricted. With respect to endowments, the foundation’s balance is currently \$43 million and the university’s is \$10 million.

(See attachments: Operating Budget vs. Actual Unaudited, Statement of Activities, Statement of Financial Position Unaudited)

COMMITTEE REPORTS

Executive Committee (Dr. Stephanie Teichmiller, Vice Chair)

Vice Chair Stephanie Teichmiller reported that the Executive Committee met that morning and there is no news that will not be covered in the individual committee reports.

Nomination Committee (Joe Campbell, Chair)

Mr. Campbell began his report by stating that the Nominations Committee had met virtually on March 3, 2022. At that meeting, discussion of the three board members whose term will end in 2022 took place. Eight or nine names were added to the list of potential nominees. Those being

considered would go through a vetting process after which additional information would be presented to the board. He then reminded the board that the open board member position had been filled by Representative Andy Whitt. Representative Whitt was confirmed by a special electronic vote after the meeting in November of 2021. He closed by saying that the committee will be bringing new ideas to the table at a later date.

Budget, Finance, and Audit Committee (Cathy Miller, Chair)

Chair Cathy Miller of the Budget, Finance and Audit Committee gave an update of the March 2, 2022 virtual committee meeting. Ms. Miller reported that there are three items requiring action. The first being the audit of the financial statements for FY21. Jeremy Blackburn of Mauldin and Jenkins, LLC was present at that meeting to go over the audit report. The conclusion of the report showed no deficiencies nor were there any recommendations from Mauldin and Jenkins, LLC. One item that Ms. Miller pointed out from the audit was that the total assets from the end of 2020 to the end of 2021 had increased by over \$10 million. With the endorsement of audit acceptance from the Executive Committee, Vice Chair Teichmiller called for a second in that the report from Ms. Miller was the motion. Melissa Long offered the second and the motion carried without opposition. The second item being presented for acceptance was a budget update. Based on the summary of a budget projection report prepared by Gwen Patrick, she and Mr. Haslam have proposed the hiring of one additional Development Officer. Another part of the budget update is the purchase of Give Campus software. This software would offer more payment avenues for donors when making online gifts. As pointed out by Ms. Miller, the Executive Committee also endorsed the budget updates. With the report bringing the motion forward, Vice Chair Teichmiller called for a second, which Melissa Long obliged. The motion carried unanimously. The final item of action is moving \$5 million of the current balance of over \$10 million into a short-term investment account, the use of which was approved during the November 2021 board meeting. With the motion on the floor from Ms. Miller, Chester McKinney gave the second. There was no opposition and the motion passed unanimously.

(See attachment: UNA Foundation 9.30.2021 Final Financial Statements (Audit), Board Vote Adjustment Material, Additional Deposit to SEI Short Term Acct.)

Investment Committee (Susanne Rallis, Zoom)

In the absence of Chair Brad Botes and Vice Chair Dana Coleman-Aldridge, Susanne Rallis offered the update for the Investment Committee via Zoom. Ms. Rallis reported that the Investment Committee met virtually on March 4, 2022 with Mac Butcher from SEI in attendance. As of December 31, 2021, the Foundation endowment was valued at \$43,677,000 and the university was at \$9,200,000 which represented a 14.75% and 15.8% gain respectively for the calendar year of 2021. As of February 28, the short-term investment account, affected by increasing interest rates, is valued at \$1,995,000. Mr. Butcher informed the committee that the Foundation and endowment pools' performance in the past year was in the top 20% of endowment pools of similar size. SEI believes that global economic growth will continue at a rate significantly exceeding the sluggish pace which prevailed following 2007-2009 global financial crisis. There being no items for action, Ms. Rallis concluded her report.

(See attachment: SEI Statements for Board Presentation)

Development Committee (Vice Chair, Melissa Long)

Vice Chair Melissa Long was standing in for chair of the Development Committee, Dr. Stephanie Teichmiller. Since meeting in November, Ms. Long reported that there have been nine namings. Among those are the Lyons Human Resources MBA, Abroms and Associates Master of Accountancy, and the Joel R. Anderson Generator. Two endowments that have been established in perpetuity, are the Bank Independent Leadership Endowment and Joe and Daryle Elmore Athletics Endowment. Also, the Gregory W. Owens College of Business and Technology Leadership Fund will add to the COBT annual fund. Two of five annual giving days have been completed. The Leo and Una Giving Day raised \$29,426. These dollars were representative of 179 donors and 186 gifts. The Founders' Giving Day, benefitting the 1830 Fund, raised \$39,374 representing 179 donors and 210 gifts. On December 15, 2021, the single largest gift to date for COBT was given - \$2,100,000. As of March 9, 2022, \$16,219,493 has been raised which is 270% of the FY22 goal. \$519,779.99 has been added to Annual Giving – 65% of the \$800,000 goal. With regards to unique donors, 54% of the FY22 goal has been met with a total of 1,227. For the 1830 Fund, \$1,042,696.48 or 869% of goal has been met. In conclusion, Ms. Long informed the board of the School of the Arts Showcase taking place the following day.

OLD BUSINESS

Vice Chair Stephanie Teichmiller asked the board if there was old business to discuss. None being brought forward, Vice Chair Teichmiller moved on.

NEW BUSINESS

Vice Chair Stephanie Teichmiller called on Kevin Haslam for a special presentation. Mr. Haslam began by describing the criteria for attaining the Robert L. Potts UNA Foundation Leadership Award. It is to be awarded to individuals who have made significant contributions of time, talent, and treasure to the University of North Alabama. They are awarded by a majority vote of the UNA Foundation Executive Committee upon recommendation of the University of North Alabama President and the Executive Director of the UNA Foundation. Mr. Haslam and President Kitts presented two nominations to the Executive Committee for consideration. Both were unanimously approved. At this time President Kitts was asked to come to the podium and together he and Mr. Haslam presented the Robert L. Potts UNA Foundation Leadership Award to Drs. Harry Smith and Weldon Cole.

Vice Chair Stephanie Teichmiller then called on Jim Page for other new business. Mr. Page congratulated Dr. Kitts' administration on the success of the Light the Fountain event. In regards to alumni engagement, Mr. Page offered information to the board about the upcoming fall homecoming weekend. A new event will be created for a Friday night before homecoming Saturday exclusively for alumni. This is in hopes that the Advancement department would be able to better connect with those alumni to grow relationships. Details will be shared in the future with the UNA Board of Trustees and UNA Foundation Board about how they can assist the Alumni Association, which will be driving the event.

Matthew Schmitz asked that it be reflected in the minutes that two days prior to this meeting of the board, UNA had defeated the University of Alabama in baseball – 9 to 5.

The next board meeting will be August 19, 2022.

CONSIDERATION OF MOTION TO ADJOURN

Being no other business to come before the board, Vice Chair Stephanie Teichmiller adjourned the meeting at 2:30 p.m.

Vice Chair, Board of Directors Date

Secretary, Board of Directors Date

Attachments (4): Advancement Update
UNA Foundation 9.30.2021 Final Financial Statements (Audit)
Board Vote Adjustment Material
Additional Deposit to SEI Short Term Acct.
SEI Statements for Board Presentation